NIAGARA FALLS, NY LONG RANGE PLAN

Umetco Minerals Corporation

April 25, 1996

Revision 0

1.0 SITE HISTORY

Union Carbide Corporation (UCC)/Umetco Minerals Corporation (Umetco) conducted metals processing operations at a facility located in Niagara Falls, NY from 1919 to 1986 On April 23, 1986, U S Vanadium Corporation (USV) acquired the facility pursuant to a purchase agreement UCC/Umetco assumed certain liabilities for the site pursuant to an associated environmental agreement dated May 13, 1986 USV/Strategic Minerals Corporation (Stratcor) is believed to be currently operating the site facilities in a similar manner and producing similar products as UCC/Umetco had previously

The approximate 25-acre site is situated as follows (see Figure 1 0-1)

- bound to the north by former Simmons Avenue (abandoned by the City of Niagara Falls on December 10, 1928, and reverted to UCC),
- bound to the west by Elkem Metals Company and UCC Linde Division (now Praxair?) properties, and by 47th Street,
- bound to the south by UCC Linde Division and Hooker Energy Corporation properties, and
- bound to the east by L-Tec property

In 1986, there were approximately forty buildings/structures, as depicted in Figure 1 0-1, on the property.

Processing operations previously conducted at the site are not well known at this time, however, it included metals work with elements ranging from atomic number 13 (aluminum) to 92 (uranium) Some of the materials used and disposed of exhibited elevated radioactivity

2.0 SITE CONTROLS

The site controls in-place at the Niagara Falls site are generally unknown at this time Reference to a purchase agreement dated April 23, 1986, among UCC, Umetco, and Stratcor is provided in the associated environmental agreement of May 13, 1986, however a copy of this purchase agreement is not currently available

The environmental agreement of May 13, 1986, between UCC/Umetco and USV/Stratcor contains provisions including

- Requires UCC/Umetco to transfer to USV all of the environmental permits, licenses, and approvals as identified in the purchase agreement
- Holds UCC/Umetco liable, and USV/Stratcor harmless, for any and all claims resulting from UCC/Umetco's business operations at the site prior to the sale of the property to USV/Stratcor

- Holds USV liable, and UCC/Umetco harmless, for any and all claims resulting from USV's business operations at the site from and after May 13, 1986
- Requires UCC/Umetco to perform reclamation work as presented in Table 2 0-1
- Subsequent to the accepted completion of the work in Table 2 0-1, holds UCC/Umetco to no further indemnification of USV for these obligations
- Excepting the PCB and asbestos remedial work in Table 2 0-1, UCC/Umetco has no associated indemnification obligation to USV/Stratcor at the facility
- Upon termination of production at the site, UCC/Umetco and USV/Stratcor agree to share remedial costs, with USV/Stratcor's share capped
- UCC/Umetco's indemnification obligation does not cease in the event of site listing under CERCLA

3.0 SITE PROJECTS

There is not, at this time, sufficient information available to identify known, probable, and worst-case scenario reclamation projects. Accordingly, the site projects proposed at this time are directed at obtaining sufficient information to subsequently identify, and then plan, known, probable and worst-case scenario reclamation projects.

The existing environmental agreement between UCC/Umetco and USV/Stratcor identifies both specific and general environmental restoration/reclamation liabilities. The scope of the currently proposed site projects will revolve around identifying and then quantifying these liabilities

3.1 Phase I Environmental Assessment

Umetco will perform a Phase I Environmental Assessment (EA) of the subject site pursuant to standard practices (ASTM, 1994) with the primary goal of identifying and documenting the presence or likely presence of any hazardous substances or petroleum products on the subject property under conditions that indicate an existing release, a past release, or a material threat of a release of such substances or products to the environment (EPA, 1995)

The EA will also include the assessment of UCC/Umetco's completion and USV's acceptance of the five work tasks presented in Table 2 0-1 for which there is inadequate documentation

Cost

Phase I EA

\$20,900 00

Schedule

Complete Phase I EA in 1997

Critical Assumptions

- 1 Competent firm can be found in the site area to perform the Phase I EA
- One site visit by one Umetco person will be required in 1997

Uncertainty Analysis

None

3.2 Phase II Environmental Assessment

Given the age of the site and the nature of the technological processes conducted thereon, it is expected that releases and/or potential releases of hazardous and/or petroleum substances will be identified during the Phase I EA. If such is found, a Phase II EA will be conducted. Until the Phase I EA is completed, the cost of the Phase II EA cannot be guessed or estimated.

Cost

Unknown

Schedule

1998

Critical Assumptions

1 Phase I EA will identify present, past, or material threat of releases of hazardous/petroleum substances

Uncertainty Analysis

None

4.0 UNIQUE SITE ISSUES

There is not sufficient information available about the site to identify unique site issues. Based on Umetco's experience, it is expected that the prior presence of radioactive materials at the site indicates the probable need for future work. Radiological remedial actions conducted in years past frequently require additional work upon re-examination.

Table 2.0-1

Specific UCC/Umetco Reclamation Requirements
Niagara Falls, NY Site
(per May 13, 1986 Environmental Agreement)

Environmental Agreement Article No.	Work Description	Environmental Agreement Scheduled Completion	Actual Completion	USV Acceptance Available	Remarks
3(a)	Remedy specific PCBs	8/86	1-19-87	No	Work incomplete
3(b)	Complete halide scrubber	8/86	1-14-87	No	
3(c)	Dispose of chrome oxide	6/86	10-27-86	Yes	
3(d)	Dispose of high antimony tungsten	10/86	10-27-86	Yes	
3(e)	Remedy globar elevator asbestos	8/86	12-16-86	No	
3(f)	Characterize and dispose as necessary, RCRA "Super Sucker" dust	10/86	10-6-86	Yes	
3(g)	Dispose of sample cans	10/86	11-26-86	Yes	
3(h)	Yard area radiation and RCRA characterization with RCRA disposal as necessary	3/87	10-27-86	Yes	
3(1)	Radioactive decontamination of 3 plant areas	6/87	10-2-86	Yes	
3(j)	Disposal, if required, of miscellaneous slags, remelts, drums, and miscellaneous materials on the plant site	NF	NF	No	
3(k)	Share UST remedial costs	NF	NF	No	
3(1)	Remedy Lake Linde	6/87	10-27-86	Yes	

Notes

NF = not found

UST = underground storage tank

RCRA = Resource Conservation and Recovery Act

PCBs = polychlorinated biphenyls

5.0 APPENDICES

UMETCO MINERALS CORPORATION PROJECT SUMMARY SHEET REVISION # ____ PROJECT TITLE Niagara Falls, NY PROJECT TITLE Niagara Falls, NY PROJECT # PROJECT REQUIRED BY STATUS OF PLAN BASIS OF ESTIMATE LEVEL OF ESTIMATE **SCHEDULE DOLLARS** * YEAR * All costs should be stated in 1996 current year (1996) dollars 20,900.00 1997 1998 1999 2000 2001 2002 2003 2004 2005 Post 2005 TOTAL 20, 900.00 None COMMENTS DATE April 25, 1996 PREPARED BY APPROVED BY Operations Manager Manager of Environmental Manager of Engineering (5)___ General Manager Manager of Accounting

Niagara Falls, NY Cost Estimate Phase I EA

Labor Project Manager Technicians Clerical	80 hrs x \$75/hr 180 hrs x \$50/hr 40 hrs x #30/h	Subtotal	\$6,000 00 9,000 00 1,200 00 \$16,200 00
Other Direct Costs (lump estimation Mileage Copying Photos Postage Telephone Air fare Per diem Car rental		Subtotal	\$200 00 100 00 2,000 00 200 00 200 00 1,400 00 400 00 200 00 \$4,700 00
	,	Total	<u>\$20,900.00</u>

J W Davis 4-29-96

References

- "Environmental Agreement (Niagara Falls)", between UCC/Umetco (Seller) and USV/Stratcor (Buyer), May 13, 1986
- "Standard Practice for Environmental Site Assessments for Commercial Real Estate", E1527-94 and E1528-93, second edition, June, 1994
- U S Environmental Protection Agency, Title 40, Code of Federal Regulations, 1995

